Introduced by Committee on Budget and Fiscal ReviewSenator Torlakson

(Principal coauthor: Assembly Member Mullin)

January 10, 2006

An act relating to the Budget Act of 2006. An act to add Section 41207.1 to the Education Code, relating to school accountability.

LEGISLATIVE COUNSEL'S DIGEST

- SB 1133, as amended, Committee on Budget and Fiscal Review Torlakson. Budget Act of 2006. School districts and community college districts: minimum funding.
- (1) The California Constitution requires a minimum amount of state funds to be applied each fiscal year for the support of school districts and community college districts. Existing law authorizes the Legislature to suspend that minimum state funding obligation for one year by the enactment of an urgency statute, as provided. Chapter 213 of the Statutes of 2004 suspended the minimum state funding obligation for the 2004–05 fiscal year.

This bill would state that the minimum amount of state funding required to be appropriated under the California Constitution for school districts and community college districts for the 2004–05 fiscal year is \$48,675,674,000, creating a maintenance factor of \$2,003,996,000 and an outstanding balance of that maintenance factor as of the 2006–07 fiscal year of \$1,620,928,000. The bill would provide that the outstanding balance is to be appropriated and allocated pursuant to legislation enacted during the 2007–08 Regular Session.

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(2) This bill would appropriate \$300,000,000 from the General Fund for purposes of those provisions for the 2007–08 fiscal year, to be allocated for purposes of legislation enacted during the 2007–08 Regular Session. The bill would appropriate \$450,000,000 from the General Fund for the 2008–09 to 2013–14 fiscal years, inclusive, to be allocated for purposes of legislation enacted during the 2007–08 Regular Session.

This bill would express the intent of the Legislature to enact statutory changes relating to the Budget Act of 2006.

Vote: majority. Appropriation: no. Fiscal committee: no. State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 41207.1 is added to the Education Code, 2 to read:
- to read:
 41207.1. Notwithstanding Section 41206, the minimum
- 4 amount of state funding required to be appropriated by Section 8
 5 of Article XVI of the California Constitution for school districts
- 6 and community college districts for the 2004-05 fiscal year, as
- 7 determined pursuant to Chapter 213 of the Statutes of 2004, is
- 8 forty-eight billion six hundred seventy-five million six hundred
- 9 seventy-four thousand dollars (\$48,675,674,000), creating a
- 10 maintenance factor of two billion three million nine hundred
- 11 ninety-six thousand dollars (\$2,003,996,000) and an outstanding
- 12 balance of that maintenance factor as of the 2006–07 fiscal year
- 13 of one billion six hundred twenty million nine hundred
- 14 twenty-eight thousand dollars (\$1,620,928,000). The outstanding
- 15 balance shall be appropriated and allocated pursuant to 16 legislation enacted during the 2007–08 Regular Session.
- 17 SEC. 2. (a) The following amounts shall be appropriated 18 from the General Fund for purposes of legislation enacted during 19 the 2007–08 Regular Session.
- 20 (1) For the 2007–08 fiscal year, three hundred million dollars (\$300,000,000) to be allocated as follows:
- 22 (A) Thirty-two million dollars (\$32,000,000) to Section B of the State School Fund for community colleges.
- 24 (B) Two hundred sixty-eight million dollars (\$268,000,000) to Section A of the State School Fund for school districts.

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(2) For each of the 2008–09 to 2013–14 fiscal years, inclusive, four hundred fifty million dollars (\$450,000,000) to be allocated as follows:

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- (A) Forty-nine million dollars (\$49,000,000) to Section B of the State School Fund for community colleges.
- (B) Four hundred one million dollars (\$401,000,000) to Section A of the State School Fund for school districts.
- (b) The allocations made in paragraphs (1) and (2) of subdivision (a) are for the purpose of discharging in full the outstanding balance of the maintenance factor resulting from Chapter 213 of the Statutes of 2004 for the 2004–05 fiscal year, and the outstanding balance of the maintenance factor for the 2005–06 fiscal year resulting from this additional payment of the Chapter 213 amount for the 2004–05 fiscal year.
- (c) For the purposes of making the computations required by Section 8 of Article XVI of the California Constitution, including computation of the state's minimum funding obligation to school districts and community college districts in subsequent fiscal years, the first one billion six hundred twenty million nine hundred twenty-eight thousand dollars (\$1,620,928,000) in allocations made pursuant to subdivisions (a) and (b) of this section shall be deemed to be "General Fund revenues appropriated for school districts," as defined in subdivision (c) of Section 41202 of the Education Code and "General Fund revenues appropriated for community college districts," as defined in subdivision (d) of Section 41202 of the Education Code, for fiscal year 2004-05 and included within the "total allocations to school districts and community college districts from General Fund proceeds of taxes appropriated pursuant to Article XIII B," as defined in subdivision (e) of Section 41202 of the Education Code, for that fiscal year. The remaining one billion three hundred seventy-nine million seventy-two thousand dollars (\$1,379,072,000) in appropriations made pursuant to subdivisions (a) and (b) shall be deemed to be "General Fund revenues appropriated for school districts," as defined in subdivision (c) of Section 41202 of the Education Code and "General Fund revenues appropriated for community college districts," as defined in subdivision (d) of Section 41202 of the Education Code, for fiscal year 2005–06 and included within the "total allocations to school districts and community college

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- 1 districts from General Fund proceeds of taxes appropriated
- 2 pursuant to Article XIII B," as defined in subdivision (e) of
- 3 Section 41202 of the Education Code, for that fiscal year.
- 4 SECTION 1. It is the intent of the Legislature to enact
- 5 statutory changes relating to the Budget Act of 2006.